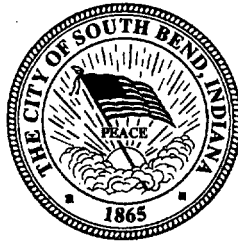


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CITY OF SOUTH BEND STEPHEN J. LUECKE, MAYOR

DEPARTMENT OF LAW

CHARLES S. LEONE
CITY ATTORNEY

August 18, 2006
Amended Correspondence

ALADEAN M. DeROSE
CHIEF ASSISTANT CITY ATTORNEY



Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Re: F.D. No. 34893, The Chicago, Lake Shore and South Bend Railway Company-Acquisition and Operation Exemption-Norfolk Southern Railway Company

Dear Secretary Williams:

Please accept this letter written on behalf of the City of South Bend. As this Board is well aware, the City of South Bend has submitted prior submissions and requests concerning the above referenced docket number. The City is vehemently opposed to reinstatement of freight service in the City of South Bend.

On August 15, 2006, the City of South Bend received notice from Norfolk Southern Railway Company ("NS") indicating its immediate dismissal of the above-referenced proceeding because, in its words "no agreement has been or will be executed" between NS and Chicago, Lake Shore and South Bend Railway Company ("CLSSB"). Based upon this filing, it is clear that further proceedings would be a waste of this Board's time and useless expense of all parties herein.

The City of South Bend had attempted to negotiate with the CLSSB in an intensive and time consuming manner since May of 2006 through today. That intensive labor bore no fruit. The line which the CLSSB wishes to reopen has been de facto abandoned, and unused for over ten years. Research performed by the City of South Bend indicates that there is no known business that wishes the line to be reinstated, nor has any known business along the line indicated any desire to use the services such a line may offer. I believe it fair to state that the City of South Bend has expended enough time and resources to determine that the goals of the two entities are polar opposite. Differences will not be resolved. Based on this, please let this letter also serve as a response to the letter filed by the CLSSB on August 15, 2006 wherein, the City of South Bend wants it to be clear that its differences with the CLSSB are inconformable.

ENTERED
Office of Proceedings

AUG 23 2006

Part of
Public Record

THOMAS L. BODNAR CHERYL A. GREENE ANN-CAROL NASH
JEFFREY M. JANKOWSKI SHAWN E. PETERSON JEFFREY L. SANFORD JOHN E. BRODEN

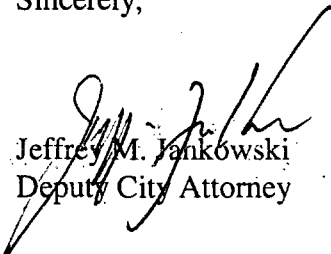
Vernon A. Williams

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August 18, 2006

Based on all of the above, the City of South Bend eagerly joins Norfolk Southern Railway Company in its prayer for immediate dismissal of F.D. No. 34893. Your expedient consideration of this matter is appreciated.

Sincerely,



Jeffrey M. Jankowski
Deputy City Attorney

JMJ/cw

cc: All parties of record
Mayor Stephen Luecke

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was served on the 18th day of August, 2006 by first-class mail, postage prepaid, and fax as designated, on the following named individuals:

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Jeffrey M. Jankowski